

Minutes
Waterways Board
Operations, Finance and Safety Committee
Third Floor Conference Room, Gloucester City Hall
Thursday, March 6, 2014

Present: Jim Bordinaro, Jim Caulkett, Bob Gillis, David McCauley

The meeting convened at 4:03 PM

No oral communications

The minutes of the 1/15/14 meeting were accepted.

Update on Project Elements and Funding for Solomon Jacobs Project

OFS discussed the encouraging developments at Solomon Jacobs. The National Grid proposal to rent the new SJ floats during the off-season to use as a breakwater for temporary docks at the Coast Guard complex offers several advantages. It allows the Waterways Board to expedite the float purchase using the \$200K in available Seaport Bond funds within the June, 2015 deadline extension secured by the WWB. This is also within the reimbursement timeframe allowable under the BIG criteria. The agreement provides a rental income, to be paid up-front, which will, in combination with Seaport funds, cover the complete estimated cost of \$231K for this component. National Grid will also provide for float storage, as needed, during its remediation program. The expenditure of these Seaport funds clears the way for the WWB to seek Seaport funding for the larger SJ building improvements. The rental agreement still needs to be finalized but no OFS action is required at this time. While the overall National Grid timeline affects many aspects of the Harbormaster Complex, the WWB is now free to proceed with the float project.

There is also progress on the building floor plan. The WWB, pending compliance with bidding regs, approved \$6K in planning costs to develop a preliminary water/sewer/power layout.

Review/Update FY2014 and 2015 budgets

OFS reviewed the changes made at 3/4/14 WWB meeting to the 2015 budget and considered other steps to take.

One regards the required funding for three new transient mooring tackle systems that had been funded in the FY2015 budget prior to the 3/4 WWB amended budget. At the

estimated per unit price of \$1326, \$3978 would be the cost. Jim thought that he could locate two of a possible five mooring blocks off Stage Head, which would reduce the cost by \$1200. Since we wish to have these three moorings installed for this boating season, OFS agreed to dedicate \$2800 for this purpose and requested the Harbormaster to identify transfers within the WWB FY14 to provide the funds.

Motion: The WWB approves the transfer of \$2800 from FY2014 ordinary and capital accounts to purchase mooring tackle for three new transient moorings off Stage Head in Gloucester Harbor.

OFS reviewed its recommendation of 12/19/2013 to transfer \$8,900 from the free cash reserves to provide funds for improvements to the public landings at Lobster Cove and Hodgman's Cove. The recommendation was approved by the full WWB and the City Council. OFS decided that the funds should have come from the Municipal Waterways Improvement and Maintenance Fund (Ch. 91) (#72000) whose core purpose is widening public access. The current balance of this account is \$26,470. The need to reconsider was enhanced by the new awareness that insufficient funds have been dedicated to the employee retirement/sick day buyback obligation. OFS also discussed whether Chapter 91 funds would be appropriate to purchase transient mooring tackle. This will be considered in any further transient mooring funding.

Motion: The WWB requests that the City Council approve a change in source of \$8900 in funds for improvements to the Lobster Cove and Hodgkin's Cove public landings (#58760) (as defined in Harbormaster Supplemental Budget Transfer Request: #2014 SA 11) from the WWB free cash reserves to the Municipal Waterways Improvement and Maintenance Fund (#72000)

Capital and Stabilization Accounts

In order to avoid duplication of accounts dealing with public landings, OFS requested that the word "inactive" be added to one of the accounts. This was done to account #58410, leaving #58760 as the active account.

OFS requested that the words "and construction" be added to the Solomon Jacobs Engineering Account in anticipation of work to be done at the new complex. Instead of adding these words, Ken Costa suggested that we create a new account with that name. OFS approved the transfer of balances from several accounts to this new account to provide partial funding for the new Harbormaster Complex.

Motion: The Waterways Board requests that a new account be established named the "Solomon Jacobs Construction" account. The Waterways Board further requests that the balances of the following accounts (totalling \$20,222.69) be transferred to the Solomon Jacobs Construction account:

- **From the Launch purchase (#710002) : \$9,258.20**
- **From the Floating/Trasient Marina Feasibility Study (#710003) : \$9,906.49**
- **From the Sailing School Float Purchase (#710001) : \$1,058.00**

Review Capital and Stabilization Funds Template

OFS continued its discussion of how to more effectively use the WWB capital and stabilization funds more effectively in budget planning. OFS discussed a draft template for summarizing the key features for all of the funds. OFS recognizes that these funds differ and a direct comparison requires adjustments. One example is the Chapter 91 account which is funded in a manner that is not suited to a three year rolling average. Jim and David agreed to provide a fuller template and supporting documentation for the next OFS meeting. We will work toward presenting a unified budget for the WWB that includes both a fiscal year budget and capital/stabilization accounts as soon as feasible, as well as the current free cash balance.

New Business

Jim reminded OFS that there exists a currently unfunded liability of around \$27K for retirement and sick day buy back expenses for WWB employees. OFS briefly discussed how this might be funded and over what time frame and agreed to revisit the matter at its next meeting.

OFS discussed amending the regular meeting date (3rd Thursday) and time but decided that no change was advantageous.

OFS will next meet on Thursday, April 17, at 4:00 PM, in the Third Floor Conference Room in City Hall.

The committee adjourned at 5:45 PM.

Notes prepared by David McCauley, Chairman